

INTER-OFFICE MEMORANDUM

D.P.D. 568 (rev. 9/97)

Date

February 22, 2008

To: Kizzi E. Montgomery, Director of Public Policy (Through Channels)

Subject: **DETROIT POLICE DEPARTMENT TESTIMONY SUPPORTING SENATE BILL 720**

From: Commander Todd A. Bettison

1. SITUATION

Due to a more than 400% rise in the price of copper in the recent years, theft of copper products has risen significantly across the United States and around the world. Global economic growth has sparked a massive increase in demand. As a result, copper theft costs homeowners, businesses and city governments millions of dollars to replace the stolen metal. In 2003, the price of copper was approximately 70 cents per pound. Today, the price ranges from \$2.00 to approximately \$3.75 per pound for some areas. One of the reasons for the increase in the market value of copper is the high demand for metals in China. In addition, global economic growth has sparked an increase in demand. Copper is primarily mined in the United States of America, Zaire, Zambia, Canada, Chile, Cyprus, Russia and Australia. Copper's primary properties, its electrical conductivity and heat-transfer abilities, make it invaluable for use in the building construction and electrical industries.

The result is a lucrative trade in the selling and buying of copper articles. The thieves have not only targeted unoccupied dwellings and residences but have besieged upon City of Detroit's property and utilities. Copper thieves are risking their lives stealing copper from transformers, streetlight poles and power sub-stations, which contain up to 18,000 volts of electricity. They have also targeted homes, construction sites, churches, schools, healthcare facilities, businesses, highways, railroads, junkyards, phone lines, cellular towers and even fire hydrants. Telecommunications infrastructure has been particularly targeted by thieves due to the amount of copper presence in their cables. These thefts are compromising critical infrastructures in the City of Detroit and across the United States. There are cascading consequences inherent in the theft of live copper wire, such as communication loss, fires, explosions, personal injury, and even the loss of life. Several deaths in the City of Detroit have resulted from the attempt to steal live copper wire. The damage to the infrastructure of affected areas is immeasurable when considering the cost of repair (including person-hours), materials and loss of business.

Also along with copper the price of other non-ferrous metals, such as Zinc and Nickel has risen. These types of metals are all around us in the form of air conditions, piping, aluminum siding for homes, brass fittings, catalytic converters, street signs, etc. Afore-cited items are all around us and comprise the infrastructure of our city.

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2. RESPONSE

The Copper Theft Task Force (CTTF) was created in response to this troubling trend. Many operations conducted by the CTTF involve undercover assignments with investigators posing as potential buyers of suspected stolen copper or other ferrous metals. Other enforcement actions have investigators setting up checkpoints near metal scrap yards to inspect the licensing of scrap haulers and the legitimacy of their goods.

One such initiative was a two-day operation called "Live Wire." During this period, 95 persons were investigated resulting in several arrests for illegally acquired materials. Seventy-six vehicles were also confiscated along with 462 tickets issued for various infractions.

In addition to street enforcement, the Detroit Police Department petitioned the Detroit City Council to amend the ordinance to close the loophole in the City Ordinance on regulating junk dealers and metal processors. The new City Ordinance has been significant in the Department's effort to combat copper theft in the city of Detroit.

3. CONCEPT OF ENFORCEMENT ACTIONS

Phase 1:

Identify and target unlicensed junk dealers. Executed search warrants, issue ordinance violations, confiscated scrap metal—including vehicles used.

Phase 2:

Conduct reverse stings—undercover officers posing as scrappers will sell ill-gotten scrap metal to licensed and unlicensed junk dealers.

Phase 3:

Identify and monitor scrap iron and metal processors accepting scrap metal material. Check unlicensed and licensed junk dealers as they approach the scrap iron and metal processor businesses to sell the material. Issue ordinance violations, impound vehicles, confiscate ill-gotten metal materials, and make arrests when appropriate.

Phase 4:

Strictly enforce the amendments made to the **Junk Collectors, Junk Dealers, and Scrap Iron and Metal Processors**, that were passed and effected on January 31, 2007. Ordinance now require aforesaid businesses to memorialize their transactions in writing; articles of sale are required to be held for a specified

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period of time after the sale; additional regulations on licensing and employees; videotaping transactions, etc.

Phase 5:

Educate Department members; and licensed metal processors and junk dealers.

OPERATIONAL COMPONENT

Effective communication, coordination and implementation by the Copper Theft Task Force (CTTF) will result in the reduction of copper theft via the aforementioned multi-layer proactive approach. The CTTF objectives are to enhance the protective posture of critical infrastructures and by deterring threats to them.

The CTTF works in concert with Chief Security Officers (CSO) or their designee of various utility companies, the community and other law enforcement agencies affected by metal theft.

KEY FACTORS:

- Function as the Department's liaison with the other municipalities in the tri-county region (information sharing)
- Work with the Wayne County Prosecutor's Office and Chief Judges to ensure appropriate charge and sentencing of perpetrators (Habitual Offenders)
- Review available data relative to non-ferrous metal thefts to determine specific patterns and targets (Crime Analysis)
- Target locations and / or persons will be investigated to via aforesaid multi-layer approach
- Conduct Bi-Weekly inspections of all licensed Junk Dealers and Metal Processors in the City of Detroit
- Identify customers of Junk Yards and Metal Processors (Since salvage operators are prohibited from dealing with convicted felons, if these checks reveal that a particular operator is doing so, it gives rise to reasonable suspicion of illegal activity on his/her part, i.e., that the operator is knowingly receiving stolen goods)
- Commencing forfeiture proceedings when appropriate and possible using nuisance abatement laws
- Debrief arrested persons for additional information – i.e., employment, drug use and type of drug, locations of theft, where metal is transported, who is accepting it, etc.

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RECOMMENDATION:

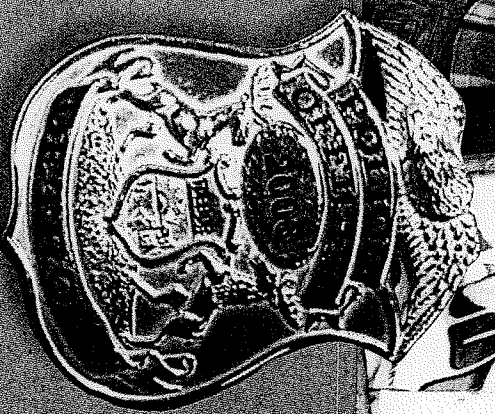
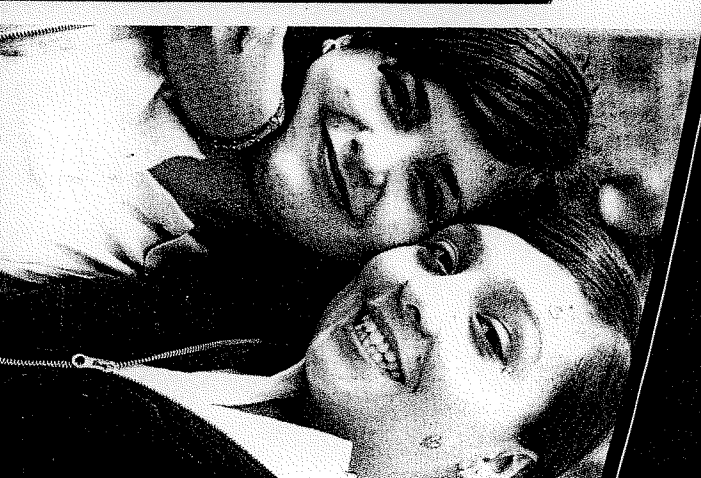
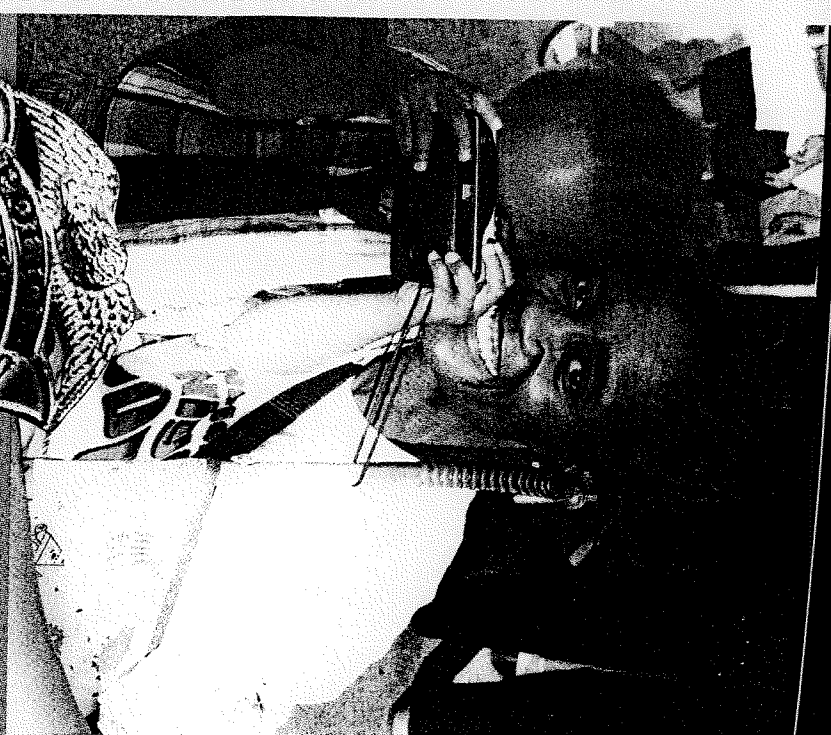
The Detroit Police Department's position is that the proposed amendments to Senate Bill 720 could greatly assist our department in reducing copper theft here in the city of Detroit. Specifically, the bill will give the department a lot of leverage in enforcing some of the issues we encounter with scrap processors who knowingly purchase stolen metals. Under line 17 there is a proposed requirement for scrap processors and second hand dealers to pay their customer by check or an electronic transaction. This alone will reduce the number people trading illegal metal.

The only additional thing that the Detroit Police Department would recommend is a requirement for the dealers and processors to have video footage of all sales and transactions.

TODD BETTISON
Commander
Southwestern District

Detroit Police Department 2006 Annual Report

A Salute to Detroit's Finest



Kwame M. Kilpatrick, Mayor

Elia M. Bully-Cummings, Chief of Police

CITY OF DETROIT, MICHIGAN

Copper Theft Task Force

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One such initiative was a two-day operation called "Live Wire." During this period, 95 persons were investigated resulting in several arrests for illegally acquired materials. Seventy-six vehicles were also confiscated along with 462 tickets issued for various infractions.

In addition to street enforcement, the Detroit Police Department proposed a change in the City Ordinance that would place stricter regulations on scrap metal dealers, processors, and their employees.

